

REAL ESTATE COMMISSION
Professional & Vocational Licensing Division
Department of Regulatory Agencies
State of Hawaii

MINUTES OF MEETING

Date: Thursday, September 28, 1972

Place: Board Room, Department of Regulatory Agencies
1010 Richards Street, Honolulu, Hawaii

Present: Douglas R. Sodetani, Chairman
Herbert S. Isonaga, Vice Chairman
Mrs. Mary Savio, Member
John D. Texeira, Member
Louis Cannelora, Member
Ah Kau Young, Member

Ben Matsubara, Deputy Attorney General
Yukio Higuchi Executive Secretary
Dr. Edward Laitila, College of Business Administration, U.H.
Miss Peggy Goo, Stenographer

Absent: Hiromu Yamanaka

Call to Order: There being a quorum, Chairman Sodetani called the meeting to order at 9:40 a.m.

Minutes: Ah Kau Young moved and Herbert Isonaga seconded to approve the minutes of the August 31, 1972 meeting as well as the minutes of the special meeting held on September 13, 1972. Motion carried unanimously.

Committee Education Task Force Committee
Reports: Accreditation of Real Estate Schools and
Certification of Instructors

The Executive Secretary reported that thus far 13 schools have been approved for accreditation and 27 instructors have been approved for certification. Three more schools are in the process of being accredited.

Meeting with Real Estate Schools' Representatives

The proceedings of the September 19, 1972 meeting with real estate schools' representatives pertaining to the implementation of the Commission's real estate education program were circulated.

Mary Savio moved and Isonaga seconded that a copy of the minutes be mailed to the principals of each accredited real estate school. Motion carried.

The Executive Secretary was directed to remind Dick Okaji to group the types of questions in the October 1972 brokers examination under headings as: Horizontal Property Regimes, Uniform Land Sales Practices, etc.

Brokers Curriculum

Mary Savio, Chairman of the Education Task Force Committee, requested Dr. Edward Laitila to meet with her committee on October 11, 1972 at 9:30 a.m., to discuss the brokers curriculum.

Real Estate Manual

Chairman Sodetani assigned the preparation of a real estate manual to the Education Task Force Committee.

Rules and Regulations Committee

The Executive Secretary advised that the adopted amendments to the rules and regulations have been forwarded to the Attorney General's Office and are now in the process of being finalized.

The Executive Secretary is to ask the schools for a typist to draft the rules and regulations so that a copy can be made available to each school in time for starting classes. A note will be inserted notifying the schools that the effective date of the rules and regulations will be sent later.

Recovery Fund Report

Committee Chairman Ah Kau Young presented a brief report on the recovery fund.

Ben Matsubara reported that there may be some claims against the fund as there are several complaints filed in the Circuit Court which may result in recovery against the Real Estate Recovery Fund.

Condominium Review Committee

Committee Chairman Louis Cannelora informed the Commission that the Condominium Review Committee will have their first meeting on October 12, 1972.

Dr. Laitila is to submit a report to the Committee from his class project on condominium review.

Attorney General's Report

Deputy Attorney General Ben Matsubara reported on the following cases which may result in recovery against the Real Estate Recovery Fund:

Perrin vs. Schrieber

Trial was held in Hilo on September 8, 1972. A.G. intervened and defended the recovery fund on the basis that the Statute of Limitation had run out. The Court gave plaintiff judgment to recover \$2,500 against Schrieber, but made no ruling on the Statute of Limitation question.

Paul Osumi, Jr. and Evelyn Kurosumi vs. Yoshiharu Hirashima

Trial was held and plaintiffs had been awarded judgment of \$14,000. A.G. explained that he had not filed a motion to intervene inasmuch as he felt that this was an open and shut case where the defendant was liable for the principal sum of \$10,000.

Maddigan vs. Dolman, Fredin, Zukerkorn

Plaintiff is suing for specific performance on a real estate sales contract of \$202,000. Dolman was the real estate agent that presented the offer to plaintiff. A.G. reported that he will be working on this matter.

Masuoka vs. Floyd Kaneshiro

Basically this matter is similar to those cases which resulted in payment from the recovery fund. A.G. indicated that he would file a motion to intervene in this matter.

Ben Matsubara also reported that he has started his review of Chapter 467, H.R.S., and will meet with the Executive Secretary to go over some areas. He was receptive to a discussion with industry people to go over his proposed amendments prior to submitting the legislative bills to Administration.

Business Out
of Minutes:

Educational Testing Service

The Executive Secretary announced that the representative from Educational Testing Service will not be able to be in Honolulu on November 6, 1972, therefore, they requested a meeting with the Commission at 9:30 a.m. on November 29, 1972. The Commission consented to meet with the ETS representative on November 29, 1972 at 9:30 a.m., a day prior to its November 30, 1972 regular meeting.

The Executive Secretary also announced that the date of the January 1973 salesman examination has been changed by ETS from January 24, 1973 to January 27, 1973, due to lack of examination facilities on a week day. The Commission raised no objection to the change of examination date.

The Executive Secretary presented the Commission with Mrs. Lydia Pai's memorandum of September 21, 1972 in reference to ETS' recommendations that the Commission consider including some

questions on other laws which pertain to real estate. The Commission was in agreement with the recommendation of ETS and requested that ETS be notified to include questions on other laws related to real estate.

June 1972 Examination Results

Isonaga moved and Mary Savio seconded that the results of the June 29, 1972 real estate examinations be accepted, as amended by the list of additional successful candidates dated September 20, 1972. Motion carried without dissent.

The request from REACT to have a list of unsuccessful candidates was considered by the Commission. The Commission members unanimously agreed to deny the request of REACT on the basis that such information is considered privileged information, as some candidates do not want others to know that they took the examination or failed the examination.

Investigations: RE-471 Martin Da Mate

It was the decision of the Commission to cite Martin Da Mate for violation of Section 467-14(9) for purchasing at a low price and selling at a high price, and for possible forgery; and violation of Rule 1.3(f)(g) of the Commission's rules for failure to put the real estate transaction in writing and placing a copy of the agreement in the hands of the purchaser, and for failure to notify the purchaser in writing of his interest to the title to the property.

RE-475 Lear Siegler Properties, Inc.

Upon motion the Commission decided that a strong letter of reprimand be sent to respondent for not advising the purchaser that the apartment unit being purchased would not have shake sidings and other exterior features as shown on the model unit.

RE-476 Arlene Ellis dba Real Estate Hawaii

The Executive Secretary was directed to write to the California Real Estate Commission for confirmation on Mrs. Turiace's license status in California. Action on this matter was deferred pending information from California.

RE-479 Masao Shintani

The Deputy Attorney General was directed to proceed with the hearing for this case.

RE-485 W. Ehrensberger and Leon Realty

Upon motion the Commission decided that letter of reprimand be sent to both respondents for failure to ascertain and present all facts pertaining to the hotel pool to purchaser.

The Executive Secretary was directed to call Francis Wong to inform him that based on the findings reported by the investigator, it is the Commission's feeling that he had violated Rule 1.3(g) of the Commission rules, and to ask him if the investigator has failed to bring out information that should be known.

It was the decision of the Commission to defer action on this case inasmuch as litigation is pending, and the Commission does not wish to prejudice the litigation in any way.

Kaneohe Realty, Inc. - 45-1048 G Kam Highway, Kaneohe
George W. Clarke PB

American Properties Corp. - 1402 Kapiolani, Suite 30, Honolulu
Herbert C. H. Chun PB

Kona Kai Realty, Inc. - 1427 Dillingham Blvd., Suite 214, Honolulu
Frank L. Spillman PB

Shelter Corporation - 841 Bishop St., Suite 1700, Honolulu
James G. Lee PB

Bortles & Associates, Inc. - 841 Bishop St., Suite 1207, Honolulu
Larry L. Bortles PB

Lawson and Associates, Inc. - 4218 Waiialae Avenue, Honolulu
Grace Mary Lawson PB

Kaaina Realty, Inc. - 3555 Harding Ave., Honolulu
Florence E. Kaaina PB

James K. Trask, Jr. Inc. - 745 Fort St., Suite 200-F, Honolulu
James K. Trask, Jr. PB

First Hawaiian Pacific Enterprises, Inc. - 202 Holomua St., Hon.
Louis E. Dauer PB (Box 1836, Hilo)

Maui Condominium Consultants, Inc. - 2180 Main St., Rm. 419, Wailuku
Lawrence N. C. Ing PB

Circle Realty, Inc. BR-1 - 51-338 Kam Highway, Kaaawa
Kathleen W. Solarana BIC

DBA

Howard Bolton, Realtor - 767 Kailua Road, Room 3, Kailua
Howard B. Bolton dba

Winchester & Associates - 1136 Union Mall, Suite 206, Honolulu
Roy A. Winchester dba

Upon motion, the Commission approved the licensing processing of the above as tentatively approved by the Executive Secretary.

Questionable Applications

Samuel Kuualoha Aki, Broker

The Executive Secretary was directed to request that Samuel Aki appear before the Commission because the Commission has reservations about approving his application as a real estate broker on the basis of his conviction of a felony.

Alan A. Johnson, Salesman

The Executive Secretary was directed to request that Alan A. Johnson appear before the Commission with his broker inasmuch as the Commission has reservations about approving his application as a real estate salesman on the grounds of his criminal abstract.

Broms - Lonie, Inc.

Upon motion the application for a real estate broker corporation by Broms - Lonie, Inc. was denied by the Commission inasmuch as they both are not licensees and are not a well-known corporation and have been in existence for a relatively short duration.

Commission's Policy

Listing of Real Estate Salesmen in Yellow Pages of Telephone Directory Under Heading "Real Estate"

The Commission gave its approval to allow the listing of licensed real estate salesmen in the yellow pages of the telephone directory if the salesman is identified as a salesman and listed under the heading of his broker's listing.

Correspondence: Letter from Real Estate Testing Service

The Executive Secretary was directed to file this letter away as each member had received a copy.

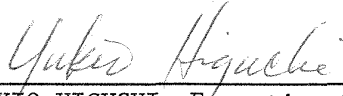
Announcements: None.

Date of Thursday, October 26, 1972 at 9:30 a.m.

Next Meeting:

Adjournment: There being no further business, Chairman Sodehani adjourned the meeting at 12:20 p.m.

Taken and recorded by:


YUKIO HIGUCHI, Executive Secretary